

**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

Handlooms and Textiles Department – Textile and Apparel Promotion Policy, 2005-2010 – Extension of certain incentives under Industrial Investment Promotion Policy (IIPP) 2010-15 to M/s. Tirumala Cotton and Agro products Pvt. Limited (**Unit-2**) at Thimmapuram (V), Edlapadu (M), Guntur District for the proposed Spinning unit as a Mega Project – Orders-Issued.

INDUSTRIES & COMMERCE (Tex) DEPARTMENT

G.O.Ms.No. 25

Dated:12-01-2012

Read the following:-

1. From the Director, M/s. Tirumala Cotton and Agro products Pvt. Limited, Letter No. Nil, dated. 09.05.2011, 11.07.2011& 12.12.2011
2. The State Investment Promotion Committee Meeting held on 27.12.2011
- 3 The State Investment Promotion Board Meeting held on 31.12.2011.
4. G.O Ms.No.61, Ind. & Com. (IP) Dept, dated 29-06-2010.
5. G.O Ms.No.300, Ind. & Com. (Tex) Dept, dated 08-11-2005.

>><<

O R D E R:-

In the letter 1st cited, the Director M/s. Tirumala Cotton and Agro products Pvt. Limited, Guntur District has informed that they have setup their Spinning unit in the year 2006 at Thimmapuram (V), Edlapadu (M), Guntur District with an investment of Rs.31.79 Crores with 21600 Spindlege.

2. Now, the company has proposed further investment of Rs.157.69 crores to set up a New Spinning Mill (Unit-II) with a capacity of 40,320 spindles. The unit will create employment to 250 persons directly and 250 persons indirect and requested for the following benefits:

- (a) 100% reimbursement of stamp duty paid on purchase of land, mortgage deeds and other hypothecation deeds with financial institution.
- (b) 100% reimbursement of land conversion charges for industrial use.
- (c) Fixed Power cost reimbursement @ 1.50 per unit for 8 years from DCP.
- (d) 50% VAT reimbursement for a period of 8 years.
- (e) Reimbursement of cleaner production measures to the extent of 100% subject to maximum of Rs 25.00 Lakhs.
- (f) Reimbursement of cost providing the water supply to the industry from the nearby tank on continuous basis.
- (g) 50% rebate on land cost.
- (h) 100% reimbursement of cost incurred for skill up gradation and training for local manpower @ Rs 10,000 per person.
- (i) 100% subsidy on the expenses incurred for Quality Certification.
- (j) Exemption from payment of 1% AMC on cotton Kappas procured from farmers.

3. In the reference 2nd read above, State Investment Promotion Committee (SIPC) have discussed the above proposal in its meetings held on 27.12.2011 and decided to place the matter before the State Investment Promotion Board (SIPB) with the following recommendations:

- (a) Reimbursement of 50% VAT & CST for a period of 5 years from date of commencement of commercial production (DCP).
- (b) Fixed Power cost reimbursement of Rs.1.00 per unit for a period of 5 years from DCP.

- (c) Reimbursement of cost incurred for skill up-gradation @ Rs. 10,000 per person with a tie-up with Rajiv Yuva Kiranalu (RYK) and meeting expenditure from RYK.
- (d) All other incentives as per IIPP 2010-15 policy

4. In the reference 3rd read above, State Investment Promotion Board in its meeting held on 31.12.2011 discussed the proposal in detail and decided to extend the following incentives to the Company:

- (a) Reimbursement of 50% Net VAT & CST for a period of 5 years from date of commencement of commercial production (DCP).
- (b) Fixed Power cost reimbursement of Rs.1.00 per unit for a period of 5 years from DCP.
- (c) Reimbursement of cost incurred for skill up-gradation @ Rs. 10,000 per person with a tie-up with Rajiv Yuva Kiranalu (RYK) and meeting expenditure from the resources of RYK scheme.
- (d) All other incentives as per IIPP 2010-15 policy

5. The Government after careful examination of the proposal and in view of the recommendations of the State Investment Promotion Board, hereby extend the following incentives to M/s. Tirumala Cotton and Agro products Pvt. Limited **(Unit-2)** at Thimmapuram (V), Edlapadu (M), Guntur District for the proposed Spinning unit with an investment of Rs.168.75 crores under Industrial Investment Promotion Policy 2010-2015 as a Mega Project:-

1. Reimbursement of 50% Net VAT & CST for a period of 5 years from date of commencement of commercial production (DCP).
2. Fixed Power cost reimbursement of Rs.1.00 per unit for a period of 5 years from DCP.
3. Reimbursement of cost incurred for skill up-gradation @ Rs. 10,000 per person with a tie-up with Rajiv Yuva Kiranalu (RYK) and meeting expenditure from the resources of RYK scheme.
4. All other incentives as per IIPP 2010-15 policy, which include
 - (i) 100% Reimbursement of Stamp duty and transfer duty paid by the industry on purchase of land meant for industrial use.
 - (ii) 100% Reimbursement of Stamp duty on Mortgages and hypothecations.
 - (iii) 25% subsidy on specific cleaner production measures limited to Rs.5 Lakhs.
 - (iv) Infrastructure assistance as per policy i.e. @ 50% of the cost up to Rs.1.00 Crore on roads, power and water will be provided at doorstep of the industry for standalone units.

6. The industry shall provide atleast 80% employment to the candidates belonging to Andhra Pradesh State for becoming eligible to the above incentives.

(PTO)

7. The Commissioner of Handlooms, Textiles & Apparel Export Parks, Andhra Pradesh, Hyderabad shall take necessary action, accordingly and intimate the status of the progress of work done by the unit from time to time to Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

Dr. PREM CHAND
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Commissioner of Handlooms, Textiles & Apparel Export Parks,
Andhra Pradesh, Hyderabad.
M/s. Tirumala Cotton and Agro products Pvt. Limited **(Unit-2)** at Thimmapuram (V),
Edlapadu (M), Guntur District through the Commissioner of Handlooms,
Textiles & Apparel Export Parks, Andhra Pradesh, Hyderabad.

Copy to:

The Revenue (CT) Department.
The Revenue (Registration) Department.
The Energy Department.
The Irrigation (Reforms) Dept.
The Ind. & Com. (INF) Department.
The Accountant General, Andhra Pradesh, Hyderabad.
The Commissioner of Industries, A.P., Hyderabad.
The Commissioner of Commercial Taxes, Hyderabad.
The Chairman & Managing Director, AP TRANSCO., Hyderabad.
The Managing Director, AP SPDCL., Hyderabad.
The Vice Chairman & Managing Director,
Andhra Pradesh Industrial Infrastructure Corporation Ltd., (APIIC),
Hyderabad.
The District Collector, Guntur District.
The General Manager, District Industries Centre, Guntur.
The P.S. to Secretary to Chief Minister.
The O.S.D. to Hon'ble Minister for Handlooms and Textiles, Spinning Mills, Small Scale
Industries, Khadi & Village Industries Board, and Public Enterprises.
The P.S. to Chief Secretary to Government.
The P.S. to Principal Secretary to Government (M&T) /Principal Secretary to Government &
CIP. Industries & Commerce Department.

SC/SF

// FORWARDED BY: ORDER//

SECTION OFFICER.